



Independent Communications Authority of South Africa
Pinmill Farm, 164 Katherine Street, Sandton
Private Bag X10002, Sandton, 2146

Ref: CNL/0056/2012/INL/0056/2012

**WIRELESS BUSSINESS SOLUTIONS (WBS)
(PTY)LTD
COMPLIANCE REPORT – 2011/2012**

1. INTRODUCTION

The following report is intended to give an account of Wireless Business Solutions (WBS) (Pty) Ltd compliance for the 2011/2012 financial year. Wireless Business Solutions (WBS) (Pty) Ltd is required to comply with the Electronic Communications Act 36 of 2005 ("the Act"), applicable regulations and licence terms and conditions.

2. BACKGROUND

On 15 January 2009, the Authority issued WBS with the following converted Licences:

- Individual Electronic Communications Network Services (I-ECNS) Licence with licence number 010/IECS/JAN/09; and
- Individual Electronic Communications Services (I-ECS) Licence with licence number 010/IECNS/JAN/09.

This Annual Compliance Report assesses WBS's compliance with its licence terms and conditions, the General Licence Fees Regulations ("ALF"), the Universal Service and Access Fund, Form 1 Standard Terms and Conditions. WBS financial year end is **31 March**.

Below is an analysis of compliance with the abovementioned regulations.

3. DISCUSSION

3.1. COMPLIANCE PROCEDURE MANUAL REGULATIONS, 2011; FORM 1 STANDARD TERMS AND CONDITIONS FOR ECS, ECNS AND BB

The Compliance Procedure Manual Regulations which contains; Form 1 "Standard Terms and Conditions for ECS, ECNS and BS" were published on 15 December 2011. The purpose of these Regulations is to assist the Authority to proactively monitor compliance and to ensure that information is obtained in a consistent format. These Regulations apply to all licensees issued with a licence in terms of chapter 3 and 9 of the Act and in terms of the Postal Services Act, 1998 (Act 124 of 1998).

General Licence Information

3.1.1 Organisation Status- WBS is a profit company, it operates from Bryanston.

3.1.2 Ownership- WBS is 100% owned by South African Citizens. 60% of WBS Shares is owned by Historically Disadvantaged Individuals ("HDI").

3.1.3 Shareholding- WBS shareholding structure is made up of four (4) Shareholders, all are South Africans, shareholders comprised of the following: Richtrau 45%, BSC Technologies 23%, Ellerine Brothers 9% and Fried Shelf Consortium 23%.

3.1.4 Directors – WBS has three (3) directors, all are South Africans namely: Thami Mtshali, Dave Haliwitz and Mphuthumi Damani.

3.1.5 Staff- WBS has one hundred and seventy (170) staff members. Males constitute 86% in technical staff and females constitute 14%. In the technical department 40% of staff are whites and WBS has 87% males in management. WBS doesn't have disabled people in all staff categories for the entire company.

3.2. LICENCE TERMS AND CONDITIONS

Licence Requirement – Paragraph 2 of the Schedule to the issued Licences requires *"the licensee to provide national coverage of its electronic communication network services."*

3.2.1. Network Coverage

Geographically Coverage

WBS does not cover the whole of South Africa.

Population Coverage

WBS covers the following areas with its Network: Bloemfontein live coverage, IBurst Johannesburg coverage, IBurst KZN live Coverage, IBurst Pretoria live Coverage, IBurst PE live coverage, IBurst WC Live coverage, WBS says that they also cover other regions however they did not list the names of those Regions.

3.2.2. Network Type / Infrastructure - WBS uses Wireless and Fibre Networks.

3.2.3. Services offered -

- Mobile high speed Internet access service on the Iburst platform;
- Voice;
- Data;
- Internet; and
- WBS mainly uses VPN for their corporate clients.

3.3. GENERAL LICENSE FEES REGULATIONS, 2009; FORM 2

The General Licence Fees Regulations came into operation on the date of publication, being 01 April 2009.

3.3.1. Regulatory Requirements – Regulation 5: requires that *“Payments in respect of annual licence fees are due as prescribed in schedule 3.”*

3.3.2. Regulatory Requirements – Schedule 3 of Regulation 1 (4): states: *“In respect of Annual Payments, such:*
(a) are due annually based on the licensee’s financial year;
(b) are due and payable within 6 months from the end of the licensee’s financial year end.”

Compliance Assessment

01 April 2011 to 31 March 2012

WBS did not comply with this regulation, in that WBS made its payment on 12 December 2012, WBS annual general license fees payment was made after six (6) months of its financial year end.

3.4. UNIVERSAL SERVICES AND ACCESS FUND REGULATIONS, 2011

The USAF Regulations were published on 10 February 2011 and came into operation on the same date.

3.4.1. Regulatory Requirements - Regulation 3 (1): requires *“Every holder of a licence granted in terms of Chapter 3, 4 and/or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2% of its Annual Turnover to the Fund”.*

3.4.2. Regulatory Requirements - Regulation 4(2): requires that
"Payments in respect of contributions to the Fund:

(a) are due annually based on the licensee's financial year;

(b) are payable within 6 months from the end of the licensee's financial year end.

Compliance Assessment

01 April 2011 to 31 March 2012

WBS did not comply with this regulation, in that WBS made its payment on 12 December 2012, WBS USAF fees payment was made after six (6) months of its financial year end.

4. CONCLUSION AND SUMMARY OF PERFORMANCE

4.1. General Licence Fees Regulations, 2009

WBS did not comply with Licence Fees Regulations since its payments were done late.

4.2. Universal Service and Access Fund Regulations, 2008

WBS did not comply with the Universal Service and Access Fund Regulations since its payments were done late.

4.3. Compliance Procedure Manual Regulations, 2011; Form 1 Standard Terms And Conditions For ECS, ECNS

WBS has complied with Standard Terms and Conditions for ECS and ECNS.